Private participation to Boost power production

3485. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state:

(a) whether Government have been exploring possibilities to sell of some units of the NTPC;

(b) if so, the details of units of NTPC which will be sold off and the reasons therefor;

(c) whether private participation in the power sector would be increased to boost power production; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) In order to enable the Government to implement an accelerated power development programme, the Government is considering various options for mobilizing resources to supplement the funds likely to be provided in the plan and to leverage the strengths of different central public sector undertakings under the Ministry of Power. M/s ICICI and SBI Companies were appointed as Consultants to suggest various options of raising resources for the central PSUs to invest in accelerated power development programme. A final decision on the modality of leveraging the financial strength of different CPSUs covering various aspects like disinvestment, privatization, selling off etc. will be taken in consultation with Planning Commission and concerned Ministries.

(c) and (d) For increasing power production, the present policy of Government of India encourages private sector participation in power sector. However, the decision for allotting specific power projects to private sector rests primarily with the State Governments. As far as the Government of India is concerned, under the revised mega power policy announced in November, 1998, certain multi State power projects have been identified as mega power projects both in the public as well as private sector. These identified mega projects have been given some fiscal concessions in the matter of import of equipment and taxes etc. The mega projects would sell power to Power Trading Corporation (PTC) constituted for this purpose and the PTC would supply the power to the beneficiary States.